

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 129025
ORIGIN EB-07

INFO OCT-01 EUR-12 EA-07 IO-13 ISO-00 FEA-01 AGRE-00
CEA-01 CIAE-00 COME-00 DODE-00 FRB-03 H-01 INR-07
INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 EPG-02
AID-05 SS-15 STR-04 ITC-01 TRSE-00 USIA-06 PRS-01
SP-02 OMB-01 AF-10 ARA-06 NEA-10 OIC-02 XMB-02
/138 R

DRAFTED BY EB/OT/TA:RLWHITE:JVM
APPROVED BY EB/OT/TA:DJDUNFORD
STR:BWILSON
TREASURY:EBARBER
COMMERCE:RFRANCIS
EXIM:DCHENEY
LABOR:BRENISON

-----042007Z 070086 /63

R 040003Z JUN 77
FM SECSTATE WASHDC
TO USMISSION GENEVA
INFO AMEMBASSY BERN
AMEMBASSY OTTAWA
AMEMBASSY STOCKHOLM
AMEMBASSY TOKYO
AMEMBASSY HELSINKI
AMEMBASSY LISBON
AMEMBASSY LONDON
AMEMBASSY MADRID
AMEMBASSY PARIS
AMEMBASSY ROME
AMEMBASSY BRUSSELS

LIMITED OFFICIAL USE STATE 129025

USEEC, USMTN ALSO FOR US MISSION, USOECD ALSO FOR EMBASSY

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 129025

E.O. 11652: N/A

TAGS: ETRD, GATT

SUBJECT: WP ON EXPORT INFLATION INSURANCE (EII)

REFS: (A) GENEVA 3868; (B) STATE 108253

1. BECAUSE OF EC INSISTENCE ON RELEVANCE OF EXCHANGE RATE GUARANTEE SCHEMES TO WORKING PARTY MANDATE, WE HAVE REVIEWED US POSITION REGARDING DISCUSSION OF EXCHANGE RATE SCHEMES IN FINAL MEETING OF WP IN JULY. WE CONTINUE TO BELIEVE INCLUSION OF EXCHANGE RATE SCHEMES IS NOT JUSTIFIED UNDER WP TERMS OF REFERENCE. HOWEVER WE ARE PREPARED TO TRY TO REACH ACCOMMODATION WITH EC PROVIDED THAT ISSUANCE OF FINAL REPORT IS NOT COMPROMISED. WE FEEL THAT EC DETERMINATION TO INCLUDE EXCHANGE RATE SCHEMES IMPLIES THAT CONTINUED RESISTANCE MIGHT JEOPARDIZE OR SLOW PROGRESS OF WP (PARA. 8-10, REFTEL A); AND SUBSTANTIVE DISCUSSIONS OF EXPORT INFLATION INSURANCE SCHEMES AT PREVIOUS MEETINGS HAVE LESSENED OUR CONCERN THAT DISCUSSION OF EXCHANGE RATE SCHEMES WOULD DISTRACT GROUP'S ATTENTION FROM OUR MAJOR CONCERN, EII.

2. GENEVA MISSION SHOULD EXPLORE WITH EC AND OTHER DELEGATIONS WAYS TO ACCOMMODATE EC VIEWS WITHOUT COMPROMISING BASIC US AIM OF COMPLETING WP AT JULY SESSION WITH FINAL REPORT FOCUSING ON ILLEGAL AND TRADE DISTORTING ASPECTS OF EII SCHEMES.

3. WE COULD AGREE THAT FINAL REPORT CITE EC CONCERN WITH EXCHANGE RISK SCHEMES AND SUGGEST THAT THIS WOULD BE APPROPRIATE TOPIC FOR FURTHER STUDY IN THE FUTURE, PERHAPS IN ANOTHER WP. ALTERNATIVELY, WE WOULD BE PREPARED TO ACCEPT BRIEF DISCUSSION WITHOUT CONCLUSION OF EXCHANGE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 129025

RISK SCHEMES IN THIS WP. WE WOULD NEED TACIT AGREEMENT AMONG DELEGATIONS INCLUDING THE EC AND FINLAND THAT SUCH DISCUSSIONS WOULD CONSUME NO MORE THAN HALF A DAY. FINAL REPORT WOULD CONTAIN SEPARATE PARAGRAPH NOTING CONCERNS WITH SUCH SCHEMES, PROVIDING, OF COURSE, THAT MAIN FOCUS OF REPORT IS ON EII. WE WOULD OPPOSE A REPORT THAT WOULD LINK THESE SCHEMES IN ANY WAY TO EII SCHEMES.

4. IN ADDITION TO EARLY BILATERALS WITH THE EC, MISSION SHOULD CONSULT WITH OTHER DELEGATIONS WHO HAVE BEEN SUPPORTIVE OF OUR POSITIONS TO INFORM THEM THAT WE ARE APPROACHING EC TO EXPLORE THESE ALTERNATIVES. EARLY CONTACTS WITH SWISS AND AUSTRIAN DELEGATIONS WILL BE ESPECIALLY IMPORTANT SINCE THEIR EXCHANGE RISK SCHEMES WERE SINGLED OUT BY THE EC.

5. AS MISSION AWARE, POSTS IN BERN, OTTAWA, TOKYO AND

STOCKHOLM APPROACHED HOST COUNTRY GOVERNMENTS IMMEDIATELY
BEFORE MAY 16 MEETING TO URGE THEIR SUPPORT IN BLOCKING
CONSIDERATION OF EXCHANGE RISK SCHEMES. IF AGREEMENT
CAN BEWORKED OUT FOR BRIEF HANDLING OF EXCHANGE RISK
SCHEMES AT JULY MEETING, WEILL THEN INSTRUCT POSTS
IN THESE COUNTRIES TO CONTACT APPROPRIATE OFFICIALS TO
EXPLAIN SHIFT IN US POSITION. PLEASE INCLUDE INFO
POSTS ON REPORTS TO WASHINGTON ON PROGRESS OF
BILATERALS. CHRISTOPHER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INFLATION, EXPORT INSURANCE, MEETING REPORTS
Control Number: n/a
Copy: SINGLE
Sent Date: 04-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE129025
Document Source: CORE
Document Unique ID: 00
Drafter: RLWHITE:JVM
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770200-0310
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770690/aaaadawi.tel
Line Count: 125
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 82944685-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 GENEVA 3868, 77 STATE 108253
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 27-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2277445
Secure: OPEN
Status: NATIVE
Subject: WP ON EXPORT INFLATION INSURANCE (EII)
TAGS: ETRD, GATT
To: GENEVA
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/82944685-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009